

By: Representative Robinson (63rd)

To: Local and Private  
Legislation

HOUSE BILL NO. 1724  
(As Sent to Governor)

1 AN ACT TO AMEND CHAPTER 880, LOCAL AND PRIVATE LAWS OF 1991,  
2 AS AMENDED BY CHAPTER 1009, LOCAL AND PRIVATE LAWS OF 1995, TO  
3 AUTHORIZE THE BOARD OF SUPERVISORS OF HINDS COUNTY, MISSISSIPPI,  
4 TO ABOLISH THE HINDS COUNTY COMMUNITY HEALTH FOUNDATION AND THE  
5 HINDS COUNTY COMMUNITY HEALTH FOUNDATION FUND; TO PROVIDE THAT AT  
6 SUCH TIME AS THE FUND IS ABOLISHED, ALL MONEYS IN THE FUND SHALL  
7 BE DEPOSITED IN THE COUNTY GENERAL FUND; AND FOR RELATED PURPOSES.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

9 SECTION 1. Chapter 880, Local and Private Laws of 1991, as  
10 amended by Chapter 1009, Local and Private Laws of 1995, is  
11 amended as follows:

12 Section 1. It is hereby determined and declared that for the  
13 benefit of the people of Hinds County, Mississippi, and the  
14 improvement and maintenance of their health and living conditions,  
15 it is essential that the county fulfill its responsibility to  
16 provide for the care of the indigent or needy residents of the  
17 county; that it is the purpose of this act to establish an  
18 alternative method to make funds available to fulfill these  
19 obligations by authorizing the creation, operation, maintenance  
20 and administration of the Hinds County Community Health  
21 Foundation through which health care services in Hinds County to  
22 indigent or needy residents of Hinds County will be provided in an  
23 economical and efficient manner and the cost thereof defrayed, and  
24 through which the level and quality of the welfare of the  
25 residents of Hinds County will be maintained, all to the public  
26 benefit and good, as more fully provided herein. This act shall  
27 not suspend the operation of any general act and shall be  
28 liberally construed in conformity with the intention expressed in

29 this section.

30 Section 2. Whenever used in this act, unless a different  
31 meaning clearly appears in the context, the following terms,  
32 whether used in the singular or plural, shall have the following  
33 meanings:

34 (a) "Board of supervisors" means the Board of  
35 Supervisors of Hinds County, Mississippi.

36 (b) "County" means Hinds County, Mississippi, acting by  
37 and through its board of supervisors.

38 (c) "Foundation" means the Hinds County Community  
39 Health Foundation established under this act.

40 (d) "Fund" means the Hinds County Community Health  
41 Foundation Fund established under this act.

42 (e) "Hospital" means the existing Methodist Medical  
43 Center, Inc., or other structure, facility, machinery, equipment  
44 and/or other property, real or personal, whether already  
45 constructed and equipped, suitable for use as, or in connection  
46 with, the operation or proposed operations of such hospital or  
47 hospitals.

48 (f) "Indigent" means an individual or family with an  
49 income which is not more than the current poverty guideline of the  
50 Community Services Administration (as currently set forth in 45  
51 C.F.R. 1060.2-1 et seq.) that applies to the individual or family  
52 for the twelve (12) months preceding the determination of  
53 eligibility for hospital services at the hospital. Only those  
54 persons who reside in Hinds County as of the date upon which the  
55 indigent or his family receives hospital services will be  
56 considered indigents herein.

57 (g) "Lease agreement" means the hospital lease  
58 agreement dated December 1, 1990, by and among Hinds County,  
59 Mississippi, Methodist Medical Center, Inc., a Mississippi  
60 nonprofit corporation, Methodist Health Systems, Inc., a Tennessee  
61 nonprofit corporation qualified to do business in Mississippi, and

62 the Board of Trustees of Hinds General Hospital.

63 (h) "Lessee" means any nonprofit corporation leasing  
64 the hospital from the county under a lease agreement.

65 (i) "Needy" means those residents of Hinds County whom  
66 the trustees of the fund, as defined herein, in extraordinary  
67 cases deem to be indigent due to hardship, although such  
68 individuals do not meet the income requirements to be indigents as  
69 defined herein.

70 (j) "Trustees" mean the persons chosen by the board of  
71 supervisors to perform in a manner so as to safeguard the  
72 interests of the people of Hinds County, Mississippi, the  
73 administrative and management duties necessary to fulfill the  
74 purposes of the Hinds County Community Health Foundation and Fund.  
75 If the board of supervisors should assume administration of the  
76 fund as provided in this act, then "trustees" shall refer to the  
77 board of supervisors acting in the position of trustees of the  
78 fund.

79 Section 3. The board of supervisors is hereby authorized to  
80 establish the Hinds County Community Health Foundation. The board  
81 of supervisors is hereby authorized to fund and deposit into the  
82 Hinds County Community Health Foundation Fund any or all payments  
83 received from the lessee in consideration for the lease of the  
84 hospital. The lessee is authorized, on behalf of the county, to  
85 deposit into the Hinds County Community Health Foundation Fund the  
86 initial payment for net operating assets, as defined in the lease  
87 agreement. In addition to the initial payment for net operating  
88 assets, the trustees shall be authorized to accept public and  
89 private contributions to the fund.

90 Section 4. (1) The board of supervisors is hereby  
91 authorized to delegate the administration and management of the  
92 fund to the trustees to be chosen in the manner provided herein,  
93 and the trustees shall manage the fund as provided herein.

94 (2) The fund shall be governed by a board of trustees

95 consisting of ten (10) members, all of whom shall be appointed by  
96 the Hinds County Board of Supervisors and be qualified electors of  
97 Hinds County. Two (2) members shall be appointed from each  
98 supervisors district. Each trustee shall serve for three (3)  
99 years; however, the initial appointments may be made for varying  
100 terms in order to create a board of trustees serving staggered  
101 terms. Any vacancy shall be filled by appointment by the board of  
102 supervisors and shall be for the remainder of the unexpired term.  
103 Each trustee may be compensated per diem in the amount established  
104 by Section 25-3-69, Mississippi Code of 1972, for each meeting of  
105 the trustees at which the trustee was in attendance; and, in  
106 addition thereto, each trustee attending may be compensated travel  
107 expenses at the rate authorized by Section 25-3-41, Mississippi  
108 Code of 1972, for actual mileage traveled to and from the place of  
109 meeting. The entire body of trustees may be dissolved at any time  
110 by the agreement of the board of supervisors if by a majority vote  
111 the board of supervisors finds such dissolution to be in the best  
112 interest of the public. In the case of dissolution, the board of  
113 supervisors shall administer and manage the fund directly, acting  
114 in accordance with the provisions herein, until such time, if any,  
115 the board of supervisors, in its sole discretion, elect to  
116 reestablish a board of trustees in accordance with the procedures  
117 for appointment in this subsection (2).

118 (3) The trustees shall administer and manage the fund and  
119 deposit the principal and interest income of the fund in a  
120 depository or depositories selected annually by the trustees in  
121 the manner as provided for the selection of county depositories in  
122 Section 27-105-305, Mississippi Code of 1972. The funds shall be  
123 treated as other public funds, except the trustees may invest in  
124 any obligations allowed for counties pursuant to Section 19-9-29,  
125 Mississippi Code of 1972.

126 Section 5. The fund shall be invested and disbursed as  
127 follows:

128 (a) The fund shall be divided into two (2) components:

129 (i) the corpus component, and (ii) the earnings component.

130 (b) The corpus component of the fund shall consist of  
131 the initial payment for net operating assets as described above,  
132 any additional, subsequent deposits made by the county or other  
133 third party, and ten percent (10%) of the annual income earned  
134 from the investment of the fund. The corpus component shall be  
135 maintained and used to generate interest income and shall not be  
136 invaded or used by the trustees.

137 (c) The earnings component shall be composed of ninety  
138 percent (90%) of the annual interest earned on the corpus  
139 component of the fund and shall be distributed by the trustees as  
140 described below and to meet the purposes of the Hinds County  
141 Community Health Foundation.

142 (d) Except as otherwise provided herein, the earnings  
143 component of the fund shall be available solely for payment to the  
144 lessee for the medical treatment rendered at the hospital to  
145 residents from Hinds County who are unable to pay for such  
146 services. Payments to the lessee from the earnings component of  
147 the fund shall be made quarterly upon receipt by the trustees of a  
148 statement verifying the indigency status of each recipient, the  
149 residency of such indigent, and depicting the amount of such  
150 uncompensated care rendered by the lessee during any period  
151 preceding such statement. A system shall be utilized in the  
152 reimbursement of funds expended by the lessee in its provision of  
153 indigent care and shall be as follows:

154 (i) The lessee shall deliver to the trustees  
155 quarterly statements documenting its provision of indigent care  
156 during such three-month period. Such statements shall be  
157 delivered to the trustees on such date or dates during the quarter  
158 as the board of supervisors and lessee mutually agree, but not  
159 later than the last day of the quarter during which the care  
160 described in the statements was provided. Each statement shall

161 include the following information:

162 (A) Service provided;

163 (B) Charge for service;

164 (C) Information upon which a determination of  
165 the patient's indigent status was made; and

166 (D) Patient name, hospital number and  
167 admission date.

168 (ii) Upon receipt of such statements, the  
169 trustees shall pay to the lessee the cumulative amount of all  
170 unpaid statements received by the trustees to the extent funds are  
171 available. Each such payment shall be due within five (5) days  
172 after the last day of such quarter.

173 (e) The trustees are to be specifically given the power  
174 and authority in connection with the earnings component of the  
175 fund to do the following:

176 (i) To assist medically indigent residents in  
177 Hinds County in paying for their inpatient and outpatient care  
178 rendered to them at the hospital.

179 (ii) To expend funds required in connection with  
180 the management by the trustees of the fund, including but not  
181 limited to payments for per diems, accounting fees, legal fees and  
182 investment advisor or fund management fees.

183 (f) Any funds not expended from the earnings component  
184 of the trust fund for the above purposes shall be carried forward  
185 into the next quarter and be available for payments in the  
186 subsequent quarters. Nothing herein shall create rights in any  
187 person or entity for indigent or needy care or rights to receive  
188 benefits from the fund, all of which shall be at the discretion of  
189 the trustees.

190 (g) Notwithstanding any provisions to the contrary, the  
191 trustees shall have the discretion in their sole judgment to pay  
192 for health care services rendered at the hospital to nonindigent  
193 residents of Hinds County in cases where there has been a

194 determination of hardship by the trustees.

195       Section 6. The fund at the end of the term of the lease  
196 agreement and after the quarterly statements have been paid shall  
197 be terminated, unless otherwise extended by the hospital and the  
198 board of supervisors, and all funds, corpus and undistributed  
199 earnings components disbursed in termination of the fund by the  
200 trustees to the county for the county's unrestricted use. All  
201 other transactions described in the lease agreement are hereby  
202 approved and authorized in all respects.

203       Section 7. From and after the effective date of House Bill  
204 No. 1724, 1999 Regular Session, the board of supervisors may  
205 abolish the foundation and the fund by an order adopted by the  
206 board and recorded in its official minutes. At such time as the  
207 fund is abolished, all moneys that remain in both the corpus  
208 component and the earnings component of the fund shall be  
209 deposited in the county general fund to be used for other needs of  
210 the county.

211       SECTION 2. This act shall take effect and be in force from  
212 and after its passage.